

*The Address—Mr. Chevrier*

that, in a very short time, these ministers are able not only to familiarize themselves with their departments, but to control their administration.

I also seize this opportunity to tender my heartfelt congratulations to the Deputy Speaker. I am happy to see him occupying this position. Of course, down deep, I would have liked to see him filling some other post, but, as it is not up to the opposition or to me to decide which office the hon. members are to assume, I shall just tell him how pleased I am to see him in the Deputy Speaker's chair and tender him my best wishes in his new responsibilities.

According to a parliamentary custom now several years old, I also want to congratulate the hon. member for Quebec-Montmorency (Mr. Lafreniere) and the hon. member for the Yukon (Mr. Nielsen), the mover and seconder of the address in reply to the speech from the throne. I congratulate them, not only on their being so honoured, but also on the way in which they have acquitted themselves of their task and in which they have dealt with their subject matter.

I would also like to avail myself of this opportunity to thank my electors of Laurier who, for the second time, have seen fit to place their confidence in me. I will always try to be their faithful representative in this house so as to show myself worthy of the confidence with which they have honoured me once again.

I have stated before and keep on stating that there are deep doctrinal differences between the Conservatives of the province of Quebec and those of the rest of Canada. Indeed there are in the house at this time many Conservative members from Quebec who, up to now, have spent their political career waging war against the federal government, denouncing federal assistance to economically under-developed countries and commercial relations with the communist nations. They have opposed our national security program and federal grants to universities, and have refused to recognize that the federal government has concurrent rights with the provinces in the field of direct taxation.

One of the most interesting aspects of the last federal elections is the fact that from now on these self-styled nationalist Conservatives from Quebec will have to share the responsibilities of power with the Conservatives of the other provinces and either accept the government's policy or break with their own party. That is the choice facing them. We will look with interest upon their attitude and the directions they will take.

As for the Conservative party it is now faced with the first opportunity afforded to it since the end of the Macdonald-Cartier alliance, to arrive once more at a certain unity of doctrine and to preach the same thing from one end of the country to the other. The Liberals, and I am sure Canadians as a whole, will hope that the Conservative party will avail itself of this opportunity since, by unifying its principles, it would be serving the cause of national unity in this country.

This unity of doctrine must be arrived at, before everything else, in the field of federal-provincial fiscal relations. That is a very important problem which has been revived by the Prime Minister himself and to which an early solution must be found so that the provincial governments may know what to expect and be in a position to prepare their budgets.

We Liberals believed that in 1956 we had struck upon a general formula for fiscal arrangements which was such as to satisfy the often contradictory conditions of federalism as it is conceived in this country. Even if the tax rates involved in these agreements have to be revised according to circumstances, the general formula itself has a permanent value which compares favourably with all other plans proposed up till now. It leaves provinces absolutely free to use their taxation rights themselves or to rent them to the federal government. It allows provincial governments to draw considerable revenue from direct taxes while avoiding double taxation. It provides for stabilization payments to the provinces so as to prevent a decrease in their revenue during periods of economic recession.

Finally, this formula provides specially for equalization payments which permit a redistribution of national wealth throughout the country and favour the poorer provinces.

The equalization principle involved in the present financial agreements is the very basis of the Liberal doctrine in the field of federal-provincial relations. It is a principle of justice and equality which should be accepted also by the present Conservative government.

We all know that Mr. Frost, the premier of Ontario, is strongly opposed to the principle of equalization. Undoubtedly that is why up to now the government has had a vague and uncertain attitude in this field. Yet this attitude will have to be made clear at the next federal-provincial conference which should be convened as soon as possible. Even before that, even in this debate, Conservative members from the province of Quebec will have to state their position clearly in this house. They often discussed this financial problem during the last election campaign.